

RESOLUTION NO. 13-11

**A Resolution of the Scientific and Cultural Facilities District
Pertaining to Statutory Recovery of Election Costs**

WHEREAS, it is the responsibility of the Board of Directors of the Scientific and Cultural Facilities District in compliance with C.R.S. §29-1-103(2) to adopt and adhere to a balanced operating budget without deficit; and

WHEREAS, the Scientific and Cultural Facilities District is limited to receiving no more than .75 percent of the collected sales and use tax each fiscal year for administration; and

WHEREAS, the interest from the collected sales and use tax which may be used by the Scientific and Cultural District to supplement the operating budget has fallen to unforeseeable ongoing lows; and

WHEREAS, the Board of Directors of the Scientific and Cultural Facilities District has prudently established the policy of maintaining committed operating reserves in an amount not to exceed six months of the actual expenses in the prior fiscal year; and

WHEREAS, as a result of decreases in the collected sales and use tax in several recent years (2009 through 2013) coupled with very low interest rates, it has been necessary to draw down funds from unassigned reserves in those years in order to maintain a balanced budget; and

WHEREAS, it is expected that the unassigned reserves will be depleted at some point in fiscal year 2014, and

WHEREAS, if action is not taken to supplement funds available for the operating budget, it is expected that the committed six-month operating reserves also will be depleted in future fiscal years; and

WHEREAS, the deficit in operating revenue for fiscal year 2014 is estimated to be over \$100,000; and

WHEREAS, this deficit is estimated to total as much as \$245,000 by the year 2016; and

WHEREAS, the Board of Directors of the Scientific and Cultural Facilities District is authorized by C.R.S. §32-13-107(3) to recover actual costs incurred as part of the reauthorization election in 2004, and

WHEREAS, it has now become necessary to recover a portion of those election costs in order to maintain a balanced budget as required by law and also maintain a six-month operating reserve in fiscal year 2014,

NOW, THEREFOR BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SCIENTIFIC AND CULTURAL DISTRICT AS FOLLOWS:

Section 1. That \$227,989 in remaining 2004 election costs shall be recovered in 2014. These shall be calculated and recovered monthly prior to the allocation of revenue to the recipient organizations.

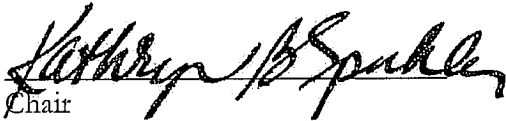
Section 2. That the Board of Directors authorizes the Executive Director to withdraw funds from reserves, as needed, in order to maintain budgeted administrative expenses.

Section 3. That the committed operating reserves shall not fall below the three-month level without further authorization of the Board of Directors.

Section 4. That the committed operating reserves shall be replenished to the six-month level as soon as possible.

Section 5. That the Executive Director will report to the Board of Directors regarding the status of the committed operating reserves each month throughout 2014.

Introduced and approved at a regular meeting of the Board of Directors of the Scientific and Cultural Facilities District, the 24th day of October, 2013.


Chair

ATTEST:


Secretary

